



*Testimony before the Appropriations and Human Services Committees
Roderick L. Bremby Commissioner
September 28, 2015*

Good afternoon, Senators Bye and Moore, Representatives Walker and Abercrombie and distinguished members of the Human Services and Appropriations Committees. My name is Roderick L. Bremby and I am the Commissioner at the Department of Social Services (DSS). I am here before you to seek your approval of the Governor's allocation plan for the Social Services Block Grant (SSBG) and the Community Services Block Grant (CSBG).

Social Services Block Grant

The FFY 2016 SSBG allocation plan provides funding for services in 15 of 29 federally defined service categories. Such services include the following: case management, counseling, family planning services, home-based services, independent and transitional living services, employment, information and referral, legal services, protective services for adults, substance abuse, home delivered meals, special services for persons with developmental or physical disabilities, and other services.

For FFY 2015, the SSBG was funded at a national level of \$1.6 billion. Connecticut's FFY 2015 SSBG block grant award amount totaled \$17,826,274. The FFY 2016 allocation plan estimates that SSBG funding for Connecticut will be level funded at this same amount. The FFY 2016 allocation plan includes the addition of a new line item, Special Services for Persons with Developmental or Physical Disabilities, totaling \$63,264. These services were previously provided under Home-Based Services and are broken out separately in this year's allocation plan to better reflect services delivered to customers.

It is not uncommon for federal funding levels to not be settled before October 1, the beginning of the federal fiscal year. The final FFY 2015 SSBG allocation was not known until January 2015. In the event that the actual SSBG dollars awarded to Connecticut vary from the total allocation of the SSBG plan before you, the Department will proportionately revise the allocations. For example, if the final SSBG allocation is reduced by sequestration, each funding stream in the plan will be impacted by the identified sequestration percentage. If additional funds become available, they will be carried forward into FFY 2017 to ensure ongoing programmatic coverage and to mitigate any future federal reductions in FFY 2017.

The SSBG plan also includes \$26,678,810 that will be transferred from the Temporary Assistance for Needy Families (TANF) Block Grant. The transfer of TANF Block Grant funds to the SSBG is reflected in the department's budget, as approved by the General Assembly. These funds must be appropriated to grantees that operate programs providing services to children and their families. The bulk of these funds are to be used to provide services for child care, children's residential services, housing services, independent and transitional living,

emergency shelters, and the human services infrastructure. A list of the specific programs, amounts transferred from TANF for those programs, and the appropriate SSBG service category are included in the plan on page 7.

The Department also allocates SSBG and TANF funds for the previously mentioned services to other state agencies, such as Department of Mental Health and Addiction Services (DMHAS), Department of Children and Families (DCF), Department of Rehabilitation Services (DORS), Department of Housing (DOH), State Department on Aging (SDA), Department of Labor (DOL), Office of Early Childhood (OEC), and the Office of Protection and Advocacy (OPA). SSBG funds are utilized by these state agencies to support a variety of social services programs.

Section I on page 8 of the SSBG plan sets forth the allocation planning process. This year, the Department has undertaken a competitive procurement for the following SSBG service categories: case management, counseling, family planning, and legal services. Since the procurement is active and not closed, the Department cannot discuss the specific details of the procurement; however, we expect to complete the procurement process and notify successful bidders of the right to negotiate a contract for services by November 30, 2015. To ensure the continuation of these services while the procurement process is completed and new contracts are executed, the Department has extended existing contracts for a period of six months in order to ensure that these services continue to be provided.

*Please note on page 18 of the SSBG Allocation Plan the total listed under the FFY 14 Actual Expenditures, Home-Based Services- Service Code 13, should read \$5,019,870 and not \$5,016,941 as printed.

Community Services Block Grant

Although the federal budget has not been finalized, we anticipate that CSBG will be funded at the FFY 2015 level and have prepared this year's allocation plan based on level funding in the amount of \$8,077,366, and an estimated \$1,506,447 in carryforward from the previous year. For FFY 2015, the CSBG was funded at a national level of \$657.4 million. While it appears from Table III on page 11 that some entities are receiving decreases in funding, FFY 15 expenditures include delayed funding from FFY 14, which resulted in an artificial inflation of funding numbers in FFY 15. Allocations for FFY 16 represent the base amounts that entities should be receiving pursuant to the statutorily required formula.

In the event that actual funding is either increased or reduced, federal law specifies the proportion of funds to be allocated to Community Action Agencies (CAAs), discretionary programs, and administration. Should significant federal funding reductions occur, the Department, with input from the Connecticut Association for Community Action (CAFCA) and the CAAs, will develop a process to determine priorities for reducing the allocations. If additional funds become available, they will be carried forward into FFY 2017 to ensure ongoing programmatic coverage and to mitigate any future federal reductions in FFY 2017.

CSBG is the core funding source for the state's CAA network. The CAAs help low-income people to become self-sufficient, improve living conditions, and have a stake in their community. Working in partnership with other service providers, businesses, faith-based organizations and

the advocacy community, CAAs strengthen families and their environments to help low-income people lead more secure lives.

The plan allocates 90% of the 2016 federal block grant to the CAAs and CAFCA. States are allowed, per federal regulations, to use up to 5% of the annual CSBG award to cover administrative costs with another 5% for discretionary purposes. DSS will follow CSBG guidelines and use 5% for administrative costs, which includes salaries, fringes, and overhead, as well as other expenses supporting the state's administrative, oversight, and monitoring role and 5% for discretionary purposes. Discretionary funds may be used for training, technical assistance, compliance monitoring, and special initiatives to strengthen the CAA network. The plan designates the use of the administration funds to support the funding of three DSS staff who will be dedicated solely to the CSBG program to ensure that CSBG contractor monitoring and federal requirements are being followed as directed by U.S. Department of Health and Human Services (HHS).

DSS, with the addition of staff, will be able to address HHS' Office of Community Services' revised expectations around monitoring CAAs, particularly regarding new performance measures and CAA organizational standards, which were issued during FFY 2015. This expansion of staff, along with the partnership with CAFCA and other CAA technical assistance resources, will make the state uniquely equipped to support and assist all of the state's CAAs. Many CT CAAs are recognized for their best practice activities, and DSS would like to capitalize on this momentum that will ultimately benefit Connecticut's citizens. For example, in FFY 2014, for every \$1 of CSBG, the CT CAA network leveraged \$12.24 from state, local and private sources, including the value of volunteer hours.

During FFY 2015, DSS conducted two competitive procurements for the Greater Stamford and Greater Norwalk Community Action Agency catchment areas. The successful applicant for Greater Stamford is the Community Action Agency of Western, CT. This agency is currently in contract negotiations with the Department. The Department would also like to announce that a successful applicant for Greater Norwalk was also recently selected. On Friday, September 25, 2015 The Housing Authority of the City of Norwalk was awarded the right to negotiate a contract to become the Community Action Agency for the greater Norwalk catchment area.

At DSS, we continue to work closely with the CAAs to blend the federal CSBG and state Human Services Infrastructure (HSI) funding to maximize CAA resources in these challenging fiscal times. This unique partnership represents a real commitment to improve Connecticut's human service delivery system and ensure a more consistent experience for providers and clients. The framework of this system is a "one-stop" model of human service delivery called HSI, a system that enables the CAAs to work as a single services network, and to report on the outcomes of services and document the progress of low-income people towards self-sufficiency.

Thank you and we respectfully request that you act favorably on the FFY 16 CSBG allocation plan, and the FFY 16 SSBG allocation plan. My staff and I are available should you have any questions.